

**Arizona Department of Water Resources
Third Management Plan Review Stakeholder Meeting Summary
May 25, 2006**

Next Meeting

**June 23rd, 2006
ADWR
3550 N. Central Ave.
Phoenix, AZ 85012**

Meeting Overview

Warren Tenney provided an overview of the BMP subcommittee's collective effort toward a possible program approach. The paper entitled, *Municipal BMP Program*, is a composite paper based on discussions from several subcommittee meetings. The Department has reviewed the paper and Phoenix AMA Director **Mark Frank** gave ADWR's position with regard to the document. Additionally, the large stakeholder group provided comments and concerns regarding current BMP Program status, the subcommittee's *Municipal BMP Program* paper and the Department's response.

Municipal BMP Program - Subcommittee Proposal

Warren Tenney presented the collaborative efforts of the BMP Subcommittee. The subcommittee proposes that the BMP Program remain an optional program for the remainder of the TMP. The subcommittee has focused on the BMP Program approach and components rather than particular recommendations regarding a timetable for program implementation. Key BMP Program components developed by the subcommittee include: (Please refer to *Municipal BMP Program* paper for complete information and listing of specific BMPs. The paper was emailed to stakeholders on May 23, 2006).

- All water providers would make an effort toward increased water use efficiency.
- Provider assessment of service areas used to determine their optimal BMPs.
- BMP list/categories are mixture of technical, informational and policy efforts.
- Providers must implement a certain number of BMPs to be in compliance.
- A provider profile would be required to enter BMP Program and is utilized to match the most effective BMPs with unique service area characteristics. The provider profile would be updated after three years.
- BMP substitutes would be allowed at any time during the year, but the substitution must enable the provider to continue meeting their BMP Program requirements.
- Providers are placed in one of three tiers. Tier placement is determined by total number of service area connections.

- An annual *Conservation Efforts Report* (3 pages or less) would be required of all providers. These reports would be submitted to and reviewed by ADWR staff.
- ADWR would use a “numerical backstop” to ensure effectiveness of conservation efforts, but this number(s) will not determine BMP Program compliance or noncompliance.
- An independent researcher or committee would review the BMP list/categories every 3 to 5 years as a means of program improvement.
- BMPs are currently divided into 8 categories: (Public Awareness and Relations, Conservation Education and Training, Outreach Services, Physical System Evaluation and Improvement, Ordinance/Condition of Service/Tariff Program, Conservation Rate Structure, Rebate/Incentive Program and Research/Innovation Program)

ADWR Response to BMP Program Subcommittee Proposal

Mark Frank presented ADWR’s official position on the BMP Subcommittee program proposal and the regulatory desires for the municipal conservation program(s). ADWR’s ultimate objective is to implement one regulatory program for municipal providers, the BMP Program. If a BMP Program alternative were to remain, it would be the total GPCD program, available to large water providers having an AWS designation. The non per capita and alternative municipal conservation programs would be removed through TMP modification. Providers may enroll in the BMP Program prior to the expected compliance year of 2010. The Department’s response and general concerns with the subcommittee’s BMP Program proposal and overall stakeholder process are as follows:

- Every provider enrolling in the BMP Program must implement water conservation measures.
- Conservation requirements for individual users and distribution system requirements will remain in any case: if a provider enters a new conservation program or remains in their current program.
- The BMP Program will be a performance-based program with compliance determined by actual BMP implementation, not through predetermined water use rates or numbers.

BMP Program Requirements for all Water Providers

The Department would require the following mandatory conservation measures of *all* providers wishing to participate in the BMP program.

- Conservation orientated rate structure. A provider implements a water rate structure that encourages efficient use of water. The rate structure will be determined by a community water system’s governing body.
- 100% metered system as required by TMP 5-114.6. A provider will track delivered water amounts and report delivery values to the Department.
- Basic water conservation education program – as defined in Category 1, Item 1, *General Public Awareness Program* in the subcommittee proposal (A provider

will communicate annually to all customers within the service area the importance of water conservation and inform customers about available information regarding water conservation measures) and Category 2, Item 1, *Distribution of "How-To" Printed Information*.

Key ADWR Provisions

The Department seeks certainty regarding BMP Program composition and its applicability to all participating providers. For providers in the BMP Program, certainty is defined as:

- 1) A Department approved provider-specific profile complete with the five elements described on page 1, paragraph 2 of the BMP subcommittee's proposal. After three years the provider profile would be updated and resubmitted for Department approval.
- 2) BMPs described in sufficient detail to determine applicability.
- 3) BMPs identified in the provider profile *must* be implemented unless substitutions are made.
- 4) BMP substitutions are allowed during the course of any year a provider is enrolled in the BMP Program.
- 5) Each provider will submit a brief (3 pages or less) annual *Conservation Efforts Report* identifying:
 - Conservation efforts implemented, e.g., the type of toilet rebate method selected and the number of rebates processed
 - Assessment of the conservation efforts implemented
 - Evaluation of BMP substitutions. Answering the questions: Why was the original BMP ineffective? Why was the substitution selected? What are the results of the new BMP?
 - Plans for next year's conservation effort
- 6) A provider's BMP Program related records would be retained for 5 to 7 years
- 7) Develop procedure for adding new BMPs to the list or removing existing BMPs from the list. This might be accomplished through an advisory committee or standing group after a period time (a few years).

Stakeholder Comments, Questions and Concerns

- It is difficult for all water providers to accept this approach (BMP Program optional until 2010) until the BMP categories and definitions are more clearly defined.
- Several additional stakeholders discussed making the BMP Program optional during the remainder of the TMP and one suggested that any legislative changes should only pertain to the TMP. This serves as a "trial run" of BMP Program effectiveness.

- While BMPs can be offered to all service area customers some providers might chose to specifically target a certain BMP to a segment of the total population.
- The use of the word “standards” in *Municipal BMP Program* is synonymous with “BMP.” “Standards” is a commonly used phrase found in the Agriculture BMP Program and was borrowed from that program. “Standards” will be replaced by “BMP.”
- Ordinances limiting turf should not restrict anyone from exercising any applicable surface water rights that might exist.
- The stakeholder group asked ADWR to define (in writing) the steps they would undertake when reviewing and approving provider profiles. The Department suggested creating mock reviews or sample provider profiles to answer or alleviate stakeholder questions about the provider profile review process.
- The stakeholder group asked ADWR to provide a couple of BMP definitions that meet departmental satisfaction. The Department agreed to the request and solicited the same information from any stakeholder seeking a BMP(s) definition consideration.
- A question was raised concerning the Department’s movement forward with the required elements regardless of stakeholders’ objections. The Department responded that ultimately they make final program decisions, but will consider the input from the advisory group of stakeholders.
- Several stakeholders debated the difference between highly defined BMPs versus a more general description to allow for greater flexibility for the water providers.
- Some stakeholders favor greater initial planning efforts by the water providers when describing which and why certain BMPs were selected. This position is favored by these stakeholders over one that has the providers subscribing to a detailed BMP description list.
- ADWR was asked to address the following concerns in writing:
 - 1) Acknowledgment that BMPs accomplished through membership in a regional group or effort would be acceptable
 - 2) Comment on the time frame for feedback on a provider’s profile and annual conservation efforts reporting
 - 3) Address how information gathered from providers will be used to promote conservation accomplishments around Arizona and externally
 - 4) Incentives for providers to exceed their minimum BMP Program requirements
- During Mr. Frank’s response to the BMP Subcommittee proposal, he reviewed the subcommittee’s BMP list, noted some that did not appear to be best management practices and indicated that they should be removed from the list. After some discussion, Mr. Frank invited stakeholders to provide additional information about the measures, either to clarify the action to be taken by the provider implementing the measure or to provide justification that the measure is a demand management practice. Mr. Frank indicated that the Department would consider any submittals prior to removing the measures.
- Additional stakeholder suggestions were:

- 1) Combine BMP categories Conservation, Education and Training and Outreach Services, especially if an education component is a mandatory component for BMP Program participants
 - 2) Removal of the Conservation Rate Structure category, as this category is a required ADWR program component
 - 3) Removal of the physical system BMP from the base requirements (for the same reasons as #2)
 - 4) Include outreach programs in the Rebate/Incentives category because these programs are provided as a free service
- Discussions focused on the legitimacy (from ADWRs perspective) of some BMPs included in the stakeholder subcommittee proposal, (e.g., reuse, water harvesting, and graywater are increased supplies not demand management techniques).
 - The Department solicited and will consider additional BMP information and justification for inclusion of these measures as conservation techniques.

In Attendance

Stakeholders

Arturo Gabaldon	Community Water Company
Bruce Hallin	Salt River Project
Carol Ward-Morris	AMWUA
Christina Klien	City of Peoria
Dave Crockett	FWID
Donna DiFrancesco	City of Mesa
Elisa Klein	City of Scottsdale
Fernando Molina	Tucson Water Company
Gregg Capps	City of Chandler
Karen Young	Town of Gilbert
Jo Miller	City of Glendale
Marilyn DeRosa	City of Avondale
Pete Smith	City of Tempe
Shilpa Hunter-Patel	Withey, Anderson & Morris
Steve Rossi	City of Phoenix
Tasila Banda	City of Goodyear
Tom Harrell	Arizona Water Company
Val Danos	AMWUA
Val Little	Water CASA
Warren Tenney	Metro Water

ADWR

Andrew Craddock
 Gordon Wahl
 Joe Singleton
 Ken Slowinski
 Mark Frank
 Paul Charman
 Robin Stinnett
 Virginia Welford